

SENATE, No. 1287

STATE OF NEW JERSEY
215th LEGISLATURE

INTRODUCED JANUARY 30, 2012

Sponsored by:

Senator ROBERT W. SINGER

District 30 (Monmouth and Ocean)

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

SYNOPSIS

Prohibits board of education or local governing body from providing health insurance to employees who work less than 35 hours a week.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning health insurance benefits and amending
2 P.L.1979, c.391, P.L.1983, c.108, and Title 40A of the New
3 Jersey Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. Section 1 of P.L.1979, c.391 (C.18A:16-12) is amended to
9 read as follows:

10 1. As used in this act:

11 a. "Dependents" means an employee's spouse and the
12 employee's unmarried children, including stepchildren, legally
13 adopted children, and, at the option of the local board of education
14 and the carrier, children placed by the Department of Children and
15 Families with a resource family, under the age of 19 who live with
16 the employee in a regular parent-child relationship, and may also
17 include, at the option of the local board of education and the carrier,
18 other unmarried children of the employee under the age of 23 who
19 are dependent upon the employee for support and maintenance, but
20 shall not include a spouse or child while serving in the military
21 service. At the option of the local board of education, "dependent"
22 may include an employee's domestic partner as defined in section 3
23 of P.L.2003, c.246 (C.26:8A-3);

24 b. "Employees" may, at the option of the local board of
25 education, include elected officials, but shall not include persons
26 employed on a short-term, seasonal, intermittent or emergency
27 basis, persons compensated on a fee basis, persons who work less
28 than 35 hours per week, or persons whose compensation from the
29 local board of education is limited to reimbursement of necessary
30 expenses actually incurred in the discharge of their duties;

31 c. "Federal Medicare Program" means the coverage provided
32 under Title XVIII of the Social Security Act as amended in 1965, or
33 its successor plan or plans.
34 (cf: P.L.2006, c.47, s.92)

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36 2. Section 2 of P.L.1983, c.108 (C.18A:18B-2) is amended to
37 read as follows:

38 2. Insurance authorized. Any board of education is authorized
39 to insure, contract or provide for any insurable interest of the
40 district or board in the manner authorized by section 3 of P.L.1983,
41 c.108 (C.18A:18B-3), for the following:

42 a. Any loss or damage to its property, real or personal, motor
43 vehicles, equipment or apparatus;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 b. Any loss or damage from liability resulting from the use or
2 operation of motor vehicles, equipment or apparatus owned or
3 controlled by it;

4 c. Any loss or damage from liability for its own acts or
5 omissions and for acts or omissions of its officers, employees or
6 servants arising out of and in the course of the performance of their
7 duties, including, but not limited to, any liability established by the
8 "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq., or by any
9 federal or other law;

10 d. Loss or damage from liability as established by Chapter 15
11 of Title 34 of the Revised Statutes, Labor and Workers'
12 Compensation (R.S.34:15-1 et seq.);

13 e. Expenses of defending any claim against the board, district,
14 officer, employee or servant arising out of and in the course of the
15 performance of their duties, whether or not liability exists on the
16 claim;

17 f. Benefits pursuant to contributory or non-contributory group
18 health insurance or group term life insurance, or both, for
19 employees or their dependents, or both, through self insurance, the
20 purchase of commercial insurance or reinsurance, or any
21 combination thereof. The maximum risk to be retained for group
22 term life insurance by a joint insurance fund on a self insured basis
23 shall not exceed a face amount of \$5,000 per covered employee or
24 dependent or such greater amount as approved by the
25 Commissioners of Banking and Insurance and Education.
26 Notwithstanding any other provision of law to the contrary, the
27 board or joint insurance fund shall be subject to the surcharge
28 levied pursuant to section 3 of P.L.1993, c.8 (C.52:14-17.38c) for
29 claims paid within the retained amount. For any claims paid in
30 excess of the retained amount, the surcharge shall be paid by the
31 entity insuring the excess amount;

32 g. Loss from liability associated with sick leave payment for
33 service connected disability as provided by N.J.S.18A:30-2.1;

34 h. Any loss or damage from liability resulting from loss or theft
35 of money or securities;

36 i. Blanket bond coverage for certain school board officers,
37 employees, and volunteer organizations serving a school board for
38 faithful performance and discharge of their duties;

39 j. Bodily injury and property damage claims arising from
40 environmental impairment liability and legal representation therefor
41 to the extent that such coverages, as approved by the Commissioner
42 of Banking and Insurance, are provided by the purchase of
43 insurance and no risk is retained by the fund; and

44 k. Student accident coverage to the extent approved by the
45 Commissioner of Banking and Insurance.

46 As used in this section:

47 (1) "life insurance" means life insurance as defined in
48 N.J.S.17B:17-3;

1 (2) "health insurance" means health insurance as defined in
2 N.J.S.17B:17-4 or benefits provided by hospital service
3 corporations, medical service corporations or health service
4 corporations authorized to do business in this State; **[and]**

5 (3) "dependents" means dependents as defined pursuant to
6 section 1 of P.L.1979, c.391 (C.18A:16-12); and

7 (4) "Employees" may, at the option of the local board of
8 education, include elected officials, but shall not include persons
9 employed on a short-term, seasonal, intermittent or emergency
10 basis, persons compensated on a fee basis, persons who work less
11 than 35 hours per week, or persons whose compensation from the
12 local board of education is limited to reimbursement of necessary
13 expenses actually incurred in the discharge of their duties.

14 (cf: P.L.1999, c.435)

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16 3. N.J.S.40A:10-16 is amended to read as follows:

17 40A:10-16. As used in this subarticle:

18 a. "Dependents" means an employee's spouse and the
19 employee's unmarried children, including stepchildren, legally
20 adopted children, and, at the option of the employer and the carrier,
21 children placed by the Division of Youth and Family Services,
22 under the age of 19 who live with the employee in a regular parent-
23 child relationship, and may also include, at the option of the
24 employer and the carrier, other unmarried children of the employee
25 under the age of 23 who are dependent upon the employee for
26 support and maintenance, but shall not include a spouse or child
27 while serving in the military service. At the option of the employer,
28 "dependent" may include an employee's domestic partner as defined
29 in section 3 of P.L.2003, c.246 (C.26:8A-3);

30 b. "Employees" may, at the option of the employer, include
31 elected officials, but shall not include persons employed on a short-
32 term, seasonal, intermittent or emergency basis, persons
33 compensated on a fee basis, persons who work less than 35 hours
34 per week, or persons whose compensation from the employer is
35 limited to reimbursement of necessary expenses actually incurred in
36 the discharge of their duties;

37 c. "Federal Medicare Program" means the coverage provided
38 under Title XVIII of the Social Security Act as amended in 1965, or
39 its successor plan or plans.

40 (cf: P.L.2005, c.334, s.2)

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42 4. This act shall take effect immediately.

STATEMENT

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This bill prohibits any board of education or local governing body from providing health insurance to employees who work less than 35 hours a week.